

To: The Honorable Mayor and City Council

From: Karen Muir, Risk Manager



Date: September 7, 2015

RE: A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXERCISE OPTION YEAR ONE (1) TO RENEW PROFESSIONAL SERVICES AGREEMENT, IN SUBSTANTIALLY THE ATTACHED FORM, BETWEEN THE CITY OF NORTH MIAMI AND RISK MANAGEMENT ASSOCIATES, D/B/A PUBLIC RISK INSURANCE AGENCY, TO CONTINUE TO PROVIDE THE CITY WITH POLICE PROFESSIONAL LIABILITY INSURANCE COVERAGE; PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES AND AUTHORIZING THE ISSUANCE OF A PURCHASE ORDER IN THE AMOUNT OF \$162,716.00

BACKGROUND

Staff engaged in a competitive bidding process in August, 2014 through RFP#52-13-14 for Police Professional Liability Insurance. The sole respondent Public Risk Insurance Agency (PRIA) was successful in delivering the most competitive coverage and premium option through its carrier "Indian Harbor Insurance"; consequently it was awarded the contract. PRIA, the 7th largest insurance intermediary in the United States, and a subsidiary of Brown & Brown, is uniquely qualified to handle the City's Police Professional Liability insurance. It currently serves the insurance needs of over 150 public entities in the State of Florida. The carrier - Indian Harbor Insurance Company - has successfully held a stable financial position within the insurance industry with \$2,000,000,000 in capital, surplus and conditional reserve funds. Additionally it is supported by an excellent AM Best rating of A+XV.

The contract provides an option to renew this line of coverage under the same terms and conditions for four (4) years on a year to year basis. The current and proposed coverage provided by Indian Harbor Insurance includes: Liability limit of \$2,000,000 per claim/aggregate, written on an occurrence form, with \$25,000 deductible per claim/\$75,000 aggregate. Renewal is being offered at \$162,716.00 annualized premium, a negligible difference of approximately 0.58% more than the expiring policy.

RECOMMENDATION

It is recommended that the City Council authorize the City Manager to exercise year one (1) of RFP #52-13-14 to renew Police Professional Liability Insurance with Indian Harbor Insurance Company,



Council Report

through its broker PRIA, located in Daytona Beach, Florida for the period 10/31/15 to 10/31/16.

Staff is recommending that Council authorize the issuance of a purchase order in the amount of \$162,716.00.

Attachments

Resolution
Option Year 1 Pricing

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, AUTHORIZING THE CITY MANAGER TO EXECUTE A FIRST OPTION TO RENEW PROFESSIONAL SERVICES AGREEMENT, IN SUBSTANTIALLY THE ATTACHED FORM, BETWEEN THE CITY OF NORTH MIAMI AND RISK MANAGEMENT ASSOCIATES, INC., D/B/A PUBLIC RISK INSURANCE AGENCY FOR THE CONTINUATION OF POLICE PROFESSIONAL LIABILITY INSURANCE COVERAGE SERVICES AS REQUIRED BY FLORIDA LAW, AT THE ANNUALIZED PREMIUM AMOUNT OF ONE HUNDRED SIXTY-TWO THOUSAND SEVEN HUNDRED SIXTEEN DOLLARS (\$162,716.00); PROVIDING FOR AN EFFECTIVE DATE AND FOR ALL OTHER PURPOSES.

WHEREAS, on July 30, 2014, the City advertised *Request for Proposal No. 52-13-14 Police Professional Liability Insurance Coverage Services* ("RFP"), to procure police professional insurance coverage for eligible City officials and employees ("Police Insurance Coverage") from a qualified, experienced, and licensed insurance provider, as required by law; and

WHEREAS, in response to the RFP, Contractor timely submitted its Proposal and was evaluated by City administration as the sole responsive-responsible proposer whose Proposal, qualifications and references demonstrated to be the most advantageous to the City in the procurement of Police Insurance Coverage; and

WHEREAS, on October 14, 2014, the Vice Mayor as acting Mayor and City Council passed and adopted Resolution No. 2014-R-92, approving the selection of Contractor and authorizing the execution of an agreement for the provision of Police Insurance Coverage in accordance with the terms, conditions, and specifications contained in the RFP; and

WHEREAS, on November 7, 2014, the City Manager executed an agreement with Contractor for the provision of Police Insurance Coverage with a policy coverage period commencing October 31, 2014, through October 31, 2015, in accordance with the terms, conditions, and specifications contained in the Contract Documents ("Agreement"); and

WHEREAS, pursuant to Section 3.2 of the Agreement, the City reserved the right to renew the Agreement for an additional four (4) successive one-year Term periods, upon the completion of the initial Term; and

WHEREAS, the City administration respectfully requests that Mayor and City Council authorize the City Manager to execute a First Option to renew the Agreement, in substantially the attached form, to continue to provide the City with Police Professional Liability Insurance Coverage, as required by Florida law.

NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:

Section 1. **Authority of City Manager.** The Mayor and City Council of the City of North Miami, Florida, hereby authorize the City Manager to execute a First Option to renew Professional Services Agreement, in substantially the attached form, between the City of North Miami and Risk Management Associates, Inc., d/b/a Public Risk Insurance Agency for the continuation of Police Professional Liability Insurance Coverage Services as required by Florida law, at the annualized premium amount of One Hundred Sixty-Two Thousand Seven Hundred Sixteen Dollars (\$162,716.00).

Section2. **Effective Date.** This resolution shall become effective immediately upon adoption

PASSED AND ADOPTED by a _____ vote of the Mayor and City Council of the City of North Miami, Florida, this ____ day of _____, 2015.

DR. SMITH JOSEPH
MAYOR

ATTEST:

MICHAEL A. ETIENNE, ESQ.
CITY CLERK

APPROVED AS TO FORM
AND LEGAL SUFFICIENCY:

ROLAND C. GALDOS, ESQ.
INTERIM CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: _____

Seconded by: _____

Vote:

Mayor Smith Joseph, D.O., Pharm. D.
Vice Mayor Carol Keys, Esq.
Councilman Scott Galvin
Councilman Philippe Bien-Aime
Councilman Alix Desulme

_____	(Yes)	_____	(No)
_____	(Yes)	_____	(No)
_____	(Yes)	_____	(No)
_____	(Yes)	_____	(No)
_____	(Yes)	_____	(No)

**CITY OF NORTH MIAMI
FIRST OPTION TO RENEW
PROFESSIONAL SERVICES AGREEMENT**
(Police Professional Liability Insurance Coverage - RFP No. 52-13-14)

THIS FIRST OPTION TO RENEW PROFESSIONAL SERVICES AGREEMENT ("First Option Agreement") is made and entered into this ____ day of _____, 2015, by and between the **City of North Miami**, a Florida municipal corporation, located at 776 NE 125th Street, North Miami, FL ("City") and **Risk Management Associates, Inc.**, d/b/a **Public Risk Insurance Agency**, a for-profit corporation organized and existing under the laws of the State of Florida, having its principal office at 220 S. Ridgewood Avenue, Daytona, FL 32114 ("Contractor"). The City and Contractor shall collectively be referred to as the "Parties".

RECITALS

WHEREAS, on July 30, 2014, the City advertised *Request for Proposal No. 52-13-14 Police Professional Liability Insurance Coverage Services* ("RFP"), to procure police professional insurance coverage for eligible City officials and employees, from a qualified, experienced, and licensed insurance provider ("Police Insurance Coverage") as required by law; and

WHEREAS, in response to the RFP, Contractor timely submitted its Proposal and was evaluated by City administration as the sole responsive-responsible proposer whose Proposal, qualifications and references demonstrated to be the most advantageous to the City in the procurement of Police Insurance Coverage; and

WHEREAS, on October 14, 2014, the Vice Mayor as acting Mayor and City Council passed and adopted Resolution No. 2014-R-92, approving the selection of Contractor and authorizing the execution of an agreement for the provision of Police Insurance Coverage in accordance with the terms, conditions, and specifications contained in the RFP; and

WHEREAS, on November 7, 2014, the City Manager executed an agreement with Contractor for the provision of Police Insurance Coverage with a policy coverage period commencing October 31, 2014, through October 31, 2015, in accordance with the terms, conditions, and specifications contained in the Contract Documents ("Agreement"); and

WHEREAS, pursuant to Section 3.2 of the Agreement, the City reserved the right to renew the Agreement for an additional four (4) successive one-year Term periods, upon the completion of the initial Term; and

WHEREAS, the Mayor and City Council have determined that it is in the City's best interest to exercise the first option to renew the Agreement in accordance with the terms and conditions of the Contract Documents, in order to provide uninterrupted Police Insurance Coverage.

NOW THEREFORE, in consideration of the mutual promises and covenants set forth herein and other good and valuable consideration, the Parties hereto agree as follows:

1. The City hereby exercises its first option to renew the Agreement for Police Insurance Coverage, for the period commencing October 31, 2015, through October 31, 2016.
2. The Contractor hereby accepts the City's first option to renew the Police Insurance Coverage, for the period commencing October 31, 2015, through October 31, 2016.
3. The City shall have remaining three (3) successive one-year options to renew the Agreement in writing.
4. The Contractor agrees to provide Police Insurance Coverage in accordance with the terms, conditions and specifications contained in the Contract Documents.
5. The City agrees to pay Contractor the annualized premium amount not to exceed One Hundred Sixty Two Thousand Seven Hundred Sixteen Dollars (\$162,716.00), including applicable agency service fees.
6. The Parties agree that this First Option Agreement shall be made part of the Agreement previously executed by the Parties, attached hereto as Exhibit "A".
7. No modification or amendment hereto shall be valid unless in writing and executed by properly authorized representatives of the Parties.
8. This First Option Agreement shall be binding upon the Parties hereto, their successors in interest, heirs, executors, assigns and personal representatives.
9. All other terms of the Agreement, which have not been modified by this First Option Agreement, shall remain in full force and effect.

[The remainder of this page is intentionally left blank.]

IN WITNESS WHEREOF, the Parties have executed this Agreement by their respective proper officers duly authorized the day and year first written above.

ATTEST:

Risk Management Associates, Inc., d/b/a
Public Risk Insurance Agency, a Florida for-
profit corporation:

Corporate Secretary or Witness:

"Contractor"

By: _____

By: _____

Print Name: _____

Print Name: _____

Title: _____

Title: _____

Date: _____

Date: _____

ATTEST:

City of North Miami, a Florida municipal
Corporation: **"City"**

By: _____

Michael A. Etienne
City Clerk

By: _____

Aleem A. Ghany
City Manager

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

By: _____

Roland C. Galdos
Interim City Attorney